



Qwest

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Eiridge A. Stafford
Executive Director-Federal Regulatory

November 30, 2000

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Ms. Magalie Roman Salas Secretary Federal Communications Commission 445 – 12th Street, SW, TW-A325 Washington, DC 20554 GFFICE OF THE SECRETARY

RE: CC Docket No. 99-200, Number Resource Optimization

Dear Ms. Salas:

On November 30, 2000, Bill Johnston, and the undersigned, representing Qwest¹, met via telephone bridge with Jordan Goldstein, Legal Advisor to Commissioner Susan Ness. The purpose of the conversation was to discuss Qwest's costs to implement thousands-block number pooling. We also discussed other number administration procedures mandated pursuant to the Commission's Report and Order² in the above referenced docket. The attached material is being provided, it served as the basis for the discussion.

In accordance with Section 1.1206(b)(2) of the Commission's rules, the original and one copy of this letter and attachments are being filed with your office for inclusion in the public record of this proceeding.

Acknowledgment and date of receipt of this submission are requested. A duplicate of this letter is included for this purpose.

Sincerely,

Attachment

cc: Jordan Goldstein

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¹ On June 30, 2000, U S WEST, Inc., the parent and sole shareholder of U S WEST Communications, Inc., merged with and into Qwest Communications International Inc. Further, on July 6, 2000, U S WEST Communications, Inc. changed its name to Qwest Corporation.

² 15 FCC Rcd. 7574 (2000).

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Cost Recovery

Number Administration

Cost Recovery

- Qwest Communications' preliminary cost study indicates it will incur substantial costs to comply with the Commission's number pooling and other number administration mandates.
 - Estimated recoverable costs for thousands block pooling: \$335 million.
 - Estimated recoverable costs for other mandated number administration requirements: \$13 million.
 - Estimated offset due to deferral of code splits: \$3 million.
 - Estimated net recoverable costs: \$345 million.

Cost Recovery

- The commission must allow carriers to recover all their cost specifically related to thousands block pooling implementation and administration.
 - Network changes, OSS changes, Service Delivery, SSP acceleration.
- The Commission must allow carriers to recover costs of other mandated number administration procedures and processes.
 - Reserve numbers, Six month inventory, Number analysis and reporting.

Cost Recovery

- The Commission should adopt a two part cost recovery mechanism.
 - Allow recovery of non-recurring costs through an end-user surcharge like the LNP surcharge or as an addition to the LNP end-user surcharge.
 - Recurring costs should be recovered through a charge added to the Subscriber line Charge (SLC).

Number Administration

Reserved Numbers

The treatment of "Reserved Numbers" should be modified to be less restrictive.

The 45 day limit does not significantly improve utilization efficiency.

Qwest total reserved numbers are less than 1% of its number inventory.

Consequently, a less restrictive approach would not significantly effect utilization efficiency.

The 45 day absolute limit creates disparity between Centrex and PBX service providers.

Current business practice meets the needs and expectations of customers

Months To Exhaust (MTE) reporting at Rate Center vs Switch level.

Reporting MTE at the rate center level works best for carriers whose switches serve multiple rate centers (e.g., Qwest Wireless).

Until support systems are upgraded for pooling, carriers with multiple switches serving one rate center (e.g., Qwest's landline company) should be allowed to report at the switch level.

Number Administration

- Resellers should report forecasts and utilization the same as ILECs, CLECs and CMRS operators.
 - Resellers must be held accountable for their utilization and for number conservation.
 - Without direct accountability, resellers are able to circumvent the number optimization procedures established by the FCC and the industry.
- Unassigned number porting (UNP) should not be required.
 - UNP will not improve utilization and will add unnecessary cost to number administration.
 - UNP permits the porting-in carrier to circumvent FCC's reporting and utilization requirements.
 - Industry should be allowed to focus resources and efforts on implementing more effective optimization methods.